

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 3540 - SB 3345

February 8, 2012

**SUMMARY OF BILL:** Requires an original or renewal public charter school application to disclose all sources of private funding and all funds from foreign sources, including gifts from foreign governments, foreign legal entities, and domestic entities affiliated with foreign governments or legal entities. Prohibits a chartering authority from approving a public charter school application if the proposed charter school intends to hire administrators, teachers, support, or other personnel by utilizing non-immigrant foreign worker H1B or J1 visa programs in excess of 3.5 percent of the total school positions in a school year; if the sponsor, governing body, or proposed school administrators have connections with other U.S. charter schools that are or have been subjects of investigations by a government agency for use of non-immigrant foreign worker visa programs; if the sponsor, governing body, or proposed school administrators have connections with another U.S. charter school that used more than two non-immigrant foreign workers in any school; if the application shows that the sponsor, governing body, or members of the sponsoring organization are attempting to circumvent annual non-immigrant foreign worker visa programs through affiliation with programs of higher education or other institutions exempted by federal law from the annual caps of a visa program; or if the sponsor or governing body of the proposed charter school is controlled by foreign nationals, is affiliated with or has been previously affiliated with, or is employed by or otherwise connected to another U.S. charter school that is or has been controlled by foreign nationals.

Requires a charter school to request approval from the chartering authority before employing a non-immigrant foreign worker who is seeking alternative licensure or an H1B or J1 non-immigrant visa or both. Authorizes the chartering authority to grant permission for such employment if the public charter school makes a showing of efforts to recruit lawful permanent United States residents and of the unavailability of such persons to fill the position. Excludes from this requirement a chartering authority that is a local education agency (LEA), if the LEA uses non-immigrant foreign worker visa programs to fill more than 3.5 percent of its staff.

Prohibits the governing body of a public charter school from approving contracts for goods or services with an individual who is a foreign national or an entity controlled by foreign nationals and prohibits a charter school from entering into such contracts. Authorizes revocation or denial of a public charter school agreement by the final chartering authority if the public charter school violates any of these prohibitions against foreign nationals.

Defines "control," "controlling," or "controlled by" as the possession, direct or indirect, of the authority to direct or cause the direction of the management and policies of an entity. Defines "foreign" as a country or jurisdiction outside of any state or territory of the United States. Defines "foreign national" as an individual who is not a citizen of the United States.

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## **ESTIMATED FISCAL IMPACT:**

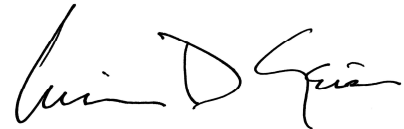
**NOT SIGNIFICANT**

Assumptions:

- The state and local education agencies (LEAs) will continue to provide the requisite funding for public charter schools. No fiscal impact on state or local expenditures.
- Adding conditions under which charter school applications may be revoked or denied will have no fiscal impact on state or local government.
- Any fiscal impact resulting from restrictions on hiring or contracting will fall to the public charter school.

## **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read 'Lucian D. Geise', written in a cursive style.

Lucian D. Geise, Executive Director

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